

Message Text

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FM SECSTATE WASHDC

TO AMEMBASSY LONDON

C O N F I D E N T I A L STATE 070686

FOLLOWING TEL SENT ACTION SECSTATE BERN INFO EC BRUSSELS,
USUN NEW YORK, OECD PARIS FROM GENEVA MARCH 28:

QUOTE C O N F I D E N T I A L GENEVA 2348

BERN PASS TO UNDERSECRETARY COOPER IN BASEL
DEPT FOR EB/ORF - BOSWORTH AND WENDT

E.O. 11652: GDS

TAGS: UNCTAD EGEN

SUBJ: UNCTAD: UN CONFERENCE ON A COMMON FUND: DRAFT GROUP B
POSITION

1. ATTACHED IS DRAFT DISTRIBUTED TODAY IN GROUP B BY B SPOKES-
MAN BARRASS FOR CONSIDERATION ONLY WITHIN GROUP B AT THIS TIME
BOTH AS TO ITS CONTENT AND ITS EVENTUAL USE. DRAFT IS PRELIMINARY
AND WILL BE DISCUSSED FURTHER. ANY DEPT REACTIONS WOULD BE
APPRECIATED.

2. WHILE LABELLED "DRAFT GROUP B POSITION", IT COULD BE BASIS
FOR ORAL REMARKS BY GROUP B SPOKESMAN, WRITTEN PRESENTATION OF B
VIEWS TO SUPPLEMENT FINAL RESOLUTION BY CONFERENCE, OR BASIS FOR
NEGOTIATIONS WITH G-77 AS PART OF FINAL RESOLUTION. LAST
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NAMED OF THESE POSSIBILITIES SEEMS
LEAST LIKELY, GIVEN 77 POSITION. IT MAY, HOWEVER, BE USEFUL
BASIS FOR COLLECTING GROUP B VIEWS FOR PRESENTATION AT SOME
POINT LATER THIS WEEK.

3. QUOTE:

DRAFT GROUP B POSITION

WITHOUT PREJUDICE TO THE POSITIONS OF ITS INDIVIDUAL MEMBERS, GROUP B AS SUCH CONSIDERS THAT A COMMON FUND, SATISFACTORILY WORKED OUT AND ACCEPTED BY A WIDE RANGE OF DEVELOPED AND DEVELOPING COUNTRIES, COULD BE OF VALUE IN HELPING TO ATTAIN THE OBJECTIVES OF THE INTEGRATED PROGRAMME FOR COMMODITIES AS EMBODIED IN RESOLUTION 93(IV); IS PREPARED TO NEGOTIATE ACTIVELY THOUGH WITHOUT PRE-COMMITMENT AS TO THE OUTCOME, ON SUCH A FUND WITH A VIEW TO THE ESTABLISHMENT OF SUCH A FUND AND SUGGESTS THAT PLANNING MIGHT CONTINUE ON THE BASIS INTER ALIA OF THE FOLLOWING PROPOSITIONS:

A. A COMMON FUND SHOULD PROVIDE SUPPORT FOR THE FINANCIAL ARRANGEMENTS FOR BUFFER STOCKS AND OTHER MEASURES AGREED BETWEEN PRODUCERS AND CONSUMERS IN INDIVIDUAL COMMODITY AGREEMENTS.

2. A COMMON FUND SHOULD FOSTER INTERNATIONAL TRADE AND CO-OPERATION IN WAYS RESPECTING THE CHARACTERISTICS OF INDIVIDUAL COMMODITIES;

3. A COMMON FUND SHOULD PROVIDE FINANCIAL ECONOMIES IN COMPARISON WITH SEPARATELY-FINANCED BUFFER STOCKS;

4. A COMMON FUND SHOULD BE A FINANCIALLY VIABLE INSTITUTION; AS FAR AS BUFFER STOCKING IS CONCERNED;

5. A COMMON FUND SHOULD ALLOW MAXIMUM USE OF RESOURCES MADE AVAILABLE THROUGH ICOS;
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6. A COMMON FUND SHOULD FACILITATE THE STABILIZATION OF PRICES AROUND THE LONG-TERM MARKET TREND;

7. A COMMON FUND SHOULD FUNCTION ON THE BASIS OF THE INTERESTS OF PROCEDURES AND CONSUMERS REPRESENTING A MAJOR SHARE OF WORLD IMPORTS AND EXPORTS, MUTUALLY DETERMINED;

8. A COMMON FUND SHOULD NOT INTERVENE DIRECTLY IN THE MARKET;

9. A COMMON FUND SHOULD RESPECT THE AUTONOMY OF INDIVIDUAL ICOS. IN PARTICULAR:

- IT SHOULD NOT INTERFERE WITH POLICY OR OPERATIONAL DECISIONS MADE BY ICOS, INCLUDING THOSE REGARDING THE NEED FOR AND SIZE OF INDIVIDUAL BUFFER STOCKS AND METHODS OF THEIR FINANCING;

- ALL ICOS WHICH ASSOCIATE WITH A COMMON FUND SHOULD HAVE EQUITABLE ACCESS TO FINANCING AVAILABLE THROUGH ITS FUNDING MECHANISM;

- ICOS SHOULD BE FREE TO DECIDE NOT TO PARTICIPATE IN ARRANGEMENTS

OF A COMMON FUND.

2. A COMMON FUND SHOULD NOT BE A SUBSTITUTE FOR THE FINANCING OF STABILISATION MEASURES BY ICOS AND SHOULD NOT DETRACT FROM THE DISCIPLINE THAT THAT RESPONSIBILITY ENTAILS. BUT WHENEVER PRODUCERS AND CONSUMERS, IN THE COURSE OF NEGOTIATION, ARE AGREED ON MEASURES AND ON THE PRICE OF A PRODUCT, THE LACK OF FINANCE SHOULD NOT PREVENT SUCH AN AGREEMENT FROM BEING CONCLUDED AND GROUP B WOULD CONSIDER IT USEFUL TO DISCUSS METHODS WHEREBY PRODUCERS AND CONSUMERS CAN ENSURE THIS.

OTHER MEASURES

3. THE NEED AND SCOPE FOR A COMMON FUND TO FACILITATE THE FINANCING OF TO FINANCE OTHER MEASURES SHOULD BE FURTHER EXPLORED. UNQUOTE. SORENSON UNQUOTE CHRISTOPHER

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Message Attributes

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Copy: SINGLE
Sent Date: 30-Mar-1977 12:00:00 am
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Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
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Disposition History: n/a
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